

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

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**FISCAL IMPACT STATEMENT**

**LS 6867**

**BILL NUMBER:** HB 1191

**NOTE PREPARED:** Jan 4, 2012

**BILL AMENDED:**

**SUBJECT:** Costs of Local Public Works Projects.

**FIRST AUTHOR:** Rep. Culver

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:**     **GENERAL**  
                              **DEDICATED**  
                              **FEDERAL**

**IMPACT:** Local

**Summary of Legislation:** The bill provides that for purposes of determining whether a political subdivision may perform a public works project with its own workforce, the cost of design, construction inspection, and other engineering work performed by the political subdivision's own employees is not included in the cost of the public works project.

**Effective Date:** July 1, 2012.

**Explanation of State Expenditures:**

**Explanation of State Revenues:**

**Explanation of Local Expenditures:** Not including costs of design, construction inspections, or other engineering work performed by local government employees in a cost estimate could keep a project below the threshold set for offering a contract for the public works project. The threshold is currently \$150,000.

**Explanation of Local Revenues:**

**State Agencies Affected:**

**Local Agencies Affected:** All political subdivisions.

**Information Sources:**

**Fiscal Analyst:** Chris Baker, 317-232-9851.